

Agency: Commerce, Community and Economic Development**Grants to Municipalities (AS 37.05.315)****Grant Recipient: Nome****Project Title:**

Nome - Power Plant Construction Completion

State Funding Requested: \$ 2,500,000
One-Time Need**House District: 39 - T****Brief Project Description:**

Completion of the city power plant

Funding Plan:**Total Cost of Project: \$34,888,100**

	<u>Funding Secured</u>		<u>Other Pending Requests</u>		<u>Anticipated Future Need</u>	
	<i>Amount</i>	<i>FY</i>	<i>Amount</i>	<i>FY</i>	<i>Amount</i>	<i>FY</i>
Federal Funds	\$14,731,776		\$5,000,000	2008		
State Funds	\$5,850,000					
Local Funds	\$5,603,390		\$1,500,000	2008		
Total	\$26,185,166		\$6,500,000			

Detailed Project Description and Justification:

The City has undertaken the replacement of aging building and equipment at its 40-year old Power Plant located within a floodplain and airport runway protection zone. The new facility has been constructed in an area which allows connection to existing distribution grids, fuel storage and water distribution systems. The new facility has been equipped with new more efficient diesel generators, switchgear, and other electrical and mechanical components and has been designed to allow the integration with wind generation in the future.

The City sought and received approximately \$15M of the necessary funding for the project from federal sources. The state legislature provided \$5.5M in assistance (4.0M in 2006; 1.5M in 2007). To date the community has provided approximately \$6M through bonds and general revenue contributions.

The facility became operational in October 2007 but there remain several components to complete, including relocation of a generator from the existing facility and completion of distribution and emergency generation interties.

Recommendation:

The City of Nome requests additional state funding to complete the project and cover construction expenditures associated with unanticipated price escalations in materials and freight. The State share of the 2009 funding would be used to pay down debt from July 2006 to Present.

Project Timeline:

April 2008 through July 2008

Entity Responsible for the Ongoing Operation and Maintenance of this Project:

Nome Joint Utilities System

Grant Recipient Contact Information:

Contact Name: John Handland

Phone Number: (907) 443-6587

Address: PO Box 70 Nome, AK 99762

Email: njus@nome.net

Has this project been through a public review process at the local level and is it a community priority? ☒ Yes ☐ No



Power Plant Construction Completion

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City of Nome, Alaska
Denise Michels, Mayor

Nome Common Council

Stan Andersen
Mary Bourdon
Jerald Brown



Mary Knodel
Jon Larson
Randy Pomeranz

Nome School Board

Gloria Karmun, President
Tom Brannan Betsy Brennan
Albert McComas Kirsten Timbers

Nome Joint Utility Board

Jim West, Jr., Chairman
Carl Emmons David Barron
Fred Moody Berda Willson

Nome Planning Commission

Irene Anderson, Chairman
Jerald Brown Tom Sparks
Gregory Smith Charlie Weiss
James Adams Jeff Darling

Nome Port Commission

Jim West, Jr., Chairman
Howard Farley Norm Stiles
Ray Lang Jim Rowe

Personnel

Donald Moore, City Manager	Caroline Kauer, City Controller
John Handeland, Utility Manager	Stan Lujan, Superintendent of Schools
Paul Burke, Police Chief	Wendy Chamberlain, Lobbyist
Brooks Chandler, City Attorney	Sandy Babcock, City Clerk



CITY OF NOME

Celebrating 100 Years of Gold Rush History

Incorporated April 9, 1901

January 17, 2008

The Honorable Sarah Palin, Governor
The Honorable Lyda Green, Senate President
The Honorable John Harris, Speaker of the House

Subject: 2008 State Legislative Priorities for the City of Nome, Alaska

Dear Fellow Alaskans:

The City of Nome is pleased to provide you with its 2008 State Legislative Priorities. The Nome Common Council conducted meetings with Citizens, Boards and Commissions and adopted resolutions endorsing the capital projects and position statements for inclusion in this session's Legislative Priorities package.

We find ourselves with the strong will to continue investing in our community. Nome desires to improve our economic base and to pursue and develop long-range projects that will provide stable employment for our Citizens. Nome's aggressive approach to move forward is evidenced by seeking projects that will improve the quality of life for the Citizens of Nome, our welcomed visitors and for the surrounding villages, who view Nome as the center for many of their needs.

We work closely with our local partners to diversify and strengthen our economy. We do seek State assistance to help us meet the demands and needs of our citizens.

We seek the State of Alaska's assistance and support for Capital Projects and Legislative Positions contained within this document. The City has prioritized the following capital projects for consideration:

1. Water and Sewer Infrastructure Improvements; and
2. Public Safety Building.

The City has identified other issues of importance to the community meriting state consideration:

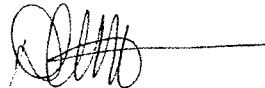
- A. Nome Recreation Center Upgrades;
- B. Nome School Capital Improvements;
- C. NJUS Power Generation Issues;
- D. Nome Volunteer Fire Department – Fire Truck;
- E. Museum Design – Historic Preservation and Tourism Development;

- F. Alaska Army National Guard Readiness Center;
- G. Consortium Library with the University of Alaska;
- H. Pioneer/Veterans Home in Northwest Alaska;
- I. State Fiscal Issues; and
- J. Support of Transportation Infrastructure Funding Planning.

We will actively promote State assistance for these items through our lobbyist, Ms. Wendy Chamberlain. She will be able to assist you on these projects and can describe our need and interest for the projects included within the Legislative Priorities. The City's staff and I are available and eager to provide additional information to you and your staff. If I can be of any assistance, please do not hesitate to call me at 443-6610 or Mr. Donald Moore, City Manager at 443-6600.

We thank you for your continuous support and consideration of our 2008 Legislative Priorities.

Sincerely,
CITY OF NOME, ALASKA

A handwritten signature in black ink, appearing to read "Denise Michels", followed by a horizontal line extending to the right.

DENISE MICHELS
MAYOR



Presented by:
Mayor
Action Taken:
Yes 5 No 0
Abstain 0

CITY OF NOME, ALASKA

RESOLUTION NO. R-07-12-04A

**A RESOLUTION ENDORSING PROJECTS AND POSITION STATEMENTS
FOR THE CITY OF NOME 2008 STATE LEGISLATIVE PRIORITIES**

WHEREAS, a public hearing and joint work session of the Nome City Council, Nome Joint Utility Board, Nome School District Board, Nome Planning Commission, and Nome Port Commission was held in Nome, Alaska on Thursday, December 6, 2007; and,

WHEREAS, it is with unanimity that the following prioritized projects are considered worthy of advocacy to State of Alaska legislative and administrative leaders:

Priority #1- Water and Sewer infrastructure Improvements;

Priority #2 - Public Safety Building; and,

WHEREAS, it is with unanimity the following Community Infrastructure items are considered worthy of advocacy to State of Alaska legislative and administrative leaders:

Nome Recreation Center Upgrades;
- Space Reorganization/Remodel
- Skating Facility

Nome School Capital Improvements;
- Nome Elementary School Hot Water Boiler System Replacement
- CIP (FY09) Nome Building D & E Roof Replacement
- Nome Elementary School Gym Floor Replacement

NJUS Power Generation Issues;
- Fuel Line Relocation
- Protection/Relocation of Electrical Distribution Facilities in Flood Prone

Areas

- Power Plant Construction Completion
- Utility System Security & Surveillance
- Develop Alternative Energy Production Sources
- Study Alternate Power and Fuel Source

Nome Volunteer Fire Department – Fire Truck;

Museum Design -Historic Preservation and Tourism Development;

Alaska Army National Guard Readiness Center;

Consortium Library with the University of Alaska;

Pioneer/Veterans Home in Northwest Alaska; and,

WHEREAS, it is with unanimity that the following legislative position statements are supported by the City of Nome and considered worthy of advocacy to State of Alaska legislative and administrative leaders:

State Fiscal Issues;

- Support for Restoration of Municipal Revenue Sharing
- Support for PERS/TERS Liability Funding and Establishment of a Program to Insure a Sustainable Retirement System
- Department of Transportation Planning;
- Long Range Community/ Infrastructure Development Nome Airport

Master Plan

- Support of Transportation Infrastructure Funding


NOW, THEREFORE, BE IT RESOLVED that the Nome City Council endorses the aforementioned items for inclusion in the City of Nome 2008 State of Alaska Legislative Priorities Package.

APPROVED and SIGNED this 9th day of January, 2008.



Stan Andersen, Presiding Councilman

ATTEST:


SANDY STURGIS-BABCOCK, City Clerk/Treasurer